

UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

FIREMAN'S FUND INSURANCE CO.,	:	
ONE BEACON INSURANCE CO.,	:	CIVIL ACTION NO. 10-cv-1653 (LAK)
NATIONAL LIABILITY AND FIRE	:	
INSURANCE CO., and QBE MARINE	:	
& ENERGY SYNDICATE 1036,	:	
<i>Plaintiffs</i>		:
v.		
GREAT AMERICAN INSURANCE CO.	:	
OF NEW YORK, MAX SPECIALITY	:	
INSURANCE CO. and SIGNAL	:	
INTERNATIONAL, LLC,	:	
<i>Defendants</i>		:

**DEFENDANT GREAT AMERICAN INSURANCE CO. OF
NEW YORK'S RESPONSE TO PLAINTIFFS' AND SIGNALS' JOINT LOCAL
RULE 56.1 STATEMENT**

MATTIONI, LTD.
George R. Zacharkow
Stephen J. Galati
399 Market Street, Suite 200
Philadelphia, PA 19106
Attorneys for Defendant
Great American Insurance Co. of
New York

(215) 629-1600 (T)
(215) 923-2227 (F)
gzacharkow@mattioni.com
sgalati@mattioni.com

Defendant Great American Insurance Co. of New York (“Great American”), by and through its attorneys, hereby responds to the Joint Local Rule 56.1 Statement filed by Signal International, LLC and Plaintiffs, Fireman’s Fund Insurance Co., One Beacon Insurance Co., National Liability and Fire Insurance Co., and QBE Marine and Energy Syndicate 1036 (“Plaintiffs”) in support of their Joint Motion for Summary Judgment against Great American seeking a declaration that the general maritime law and the entrenched maritime doctrine of *uberrimae fidei* is not applicable under the Great American Vessel Owner Pollution Policy, and Plaintiffs’ Motion for Summary Judgment against Great American seeking a declaration that coverage has been triggered under the Great American Vessel Owner Pollution Policy with regard to the costs for the removal and disposal of the Drydock.

Great American will reference by paragraph number only those paragraphs containing averments that it contests and submits are not proper statements, in full or in part, based on the record.

25. To the extent Signal started to perform marine fabrication for new construction, this work was performed at the Orange, Texas shipyard or other Signal locations, and not on the AFDB-5 drydock (Drydock). (Cunningham Tr. 35: 24 – 40:24.; Heger Ex. 195)

35. The cited testimony does not contain the phrase “significant quantities of asbestos and transite (an asbestos containing material) and it should be disregarded.

38. The assembly of the tension leg platform on the Drydock was a one time event. The Drydock was not used for new construction. It was used for vessel repairs Signal’s list of vessel (rig) dockings reveals. (Heger Ex. 195)

51. Plaintiffs completely and totally mischaracterize the September 2, 2009 letter issued by the Texas General Land Office, and in doing so, ignore the Affidavit of Greg Pollock

in which he confirms that neither this letter, nor any of the other letters that were issued by GLO to Signal were “orders”. Great American also objects to the heading “The Order to Remove” inserted by Plaintiffs for the same reasons. (See Affidavit of Greg Pollock.)

52. Great American objects to the partial recitation of the September 2, 2009 letter from GLO. The letter, being a document, speaks for itself and must be read in its entirety. (See Affidavit of Greg Pollock.)

53. Great American objects to the partial recitation of the November 5, 2009 letter from GLO, as well as Plaintiffs addition of emphasis. The letter, being a document, speaks for itself and must be read in its entirety. Moreover, under the Rules, a Rule 56.1 Statement is intended to be a statement regarding alleged facts, not argument, so the addition of emphasis by counsel is improper. (See Affidavit of Greg Pollock.)

54. Plaintiffs completely and totally mischaracterize the September 2, 2009 and November 5, 2009 letters issued by the Texas General Land Office, and in doing so, ignore the Affidavit of Pollock in which he confirms that neither none of the letters that were issued by GLO to Signal were “orders”. Great American also maintains its objection to the heading “The Order to Remove” inserted by Plaintiffs for the same reasons. (See Affidavit of Greg Pollock.)

55. While GLO did not identify the sunken Drydock as a hazard to navigation in its September 2, 2009 and November 5, 2009 letters, it did indicate in its March 5, 2012 letter that now that the berth was cleared of the Drydock, there was no longer a hazard to navigation.

60. The term “debris wreckage” is a phrase or reference manufactured by Plaintiffs’ attorneys and has no independent meaning. Great American objects to the use of the term to manufacture an argument.

61. Great American denies that this was the purpose of the referenced meeting. The meeting was agreed to be treated as confidential and disclosures were prohibited pursuant to FRE 408. The reference to the meeting is improper and irrelevant.

62. The meeting was agreed to be treated as confidential and disclosures were prohibited pursuant to FRE 408. The reference to the meeting is improper and irrelevant.

63. The meeting was agreed to be treated as confidential and disclosures were prohibited pursuant to FRE 408. The reference to the meeting is improper and irrelevant.

64. The meeting was agreed to be treated as confidential and disclosures were prohibited pursuant to FRE 408. The reference to the meeting is improper and irrelevant.

66. The term “debris wreckage” is a phrase or reference manufactured by Plaintiffs’ attorneys and has no independent meaning. Great American objects to the use of the term to manufacture an argument.

67. The referenced letter, being a writing, speaks for itself and must be read in its entirety. Furthermore, Great American objects to the extent that this paragraph, and the referenced letter, assert conclusions of law. Great American also objects to the contentions asserted.

68. The referenced letter, being a writing, speaks for itself and must be read in its entirety. Furthermore, Great American objects to the extent that this paragraph, and the referenced letter, assert conclusions of law. Great American also objects to the contentions asserted.

69. The referenced document, being a writing, speaks for itself and must be read in its entirety.

72. The referenced document, being a writing, speaks for itself and must be read in its entirety.

80. The term “hazardous material remediation” is not used or supported by the cited testimony.

85. The cited testimony does not use the term “pollutants.”

91. The referenced document, being a writing, speaks for itself and must be read in its entirety. (See Affidavit of Greg Pollock.)

114. Reese Lever testified that Steve Webber, the underwriting director of the Houston office was involved in the process. (Lever TR. 150: 19 – 151: 19). Captain Ed Wilmot originally had approved the inclusion of the Drydock in the Vessel Owner Pollution Program for Signal. (See Ed Wilmot Unsworn Declaration.)

179. The referenced document, being a writing, speaks for itself and must be read in its entirety. The misrepresentation provision states as follows:

Any concealment or misrepresentation by You of any material fact or circumstance relating to this insurance, or any claim or incident hereunder will void this policy completely as to any and all claims and incidents, whether such concealment or misrepresentation is deliberate, negligent, inadvertent, innocent, or otherwise.

180. Steve Weber was involved in the process and addressed the materiality of the information that it has been determined that Signal did not disclose during the period 2003 – 2009. (See Steve Weber Unsworn Declaration; also see Ed Wilmot Unsworn Declaration.)

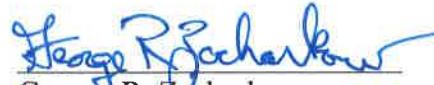
191. Great American only had communications with Willis, Signal’s broker, who is an agent for Signal. As evidenced by the records and more specifically set forth in Great American’s supplemental Statement of Undisputed Facts, Signal improperly represented that the Drydock was in satisfactory condition by failing to disclose the true known facts.

192. Jim Booker, Signal's former docking master, has testified that the surveyor from Dufour, Laskay & Strouse did not perform as represented. (Booker Tr. 136: 6-17.)

193. As evidenced by the records and more specifically set forth in Great American's supplemental Statement of Undisputed Facts, Signal improperly represented that the Drydock was in satisfactory condition by failing to disclose the true known facts.

MATTIONI, LTD.

By:



George R. Zacharkow

Stephen J. Galati

399 Market Street, Suite 200

Philadelphia, PA 19106

(215) 629-1600 (T)

(215) 923-2227 (F)

gzacharkow@mattioni.com

sgalati@mattioni.com

Date: April 16, 2013

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of Great American's Response To Plaintiffs' And Signals' Joint Local Rule 56.1 Statement was served via electronic notification on April 16, 2013, to the following:

***Attorney for Plaintiffs Fireman's Fund Ins. Co.,
One Beacon Ins. Co., National Liability and Fire Ins. Co., and
QBE Marine & Energy Syndicate 1036***

John A.V. Nicoletti, Esquire
Nicoletti Hornig & Sweeney
Wall Street Plaza
88 Pine Street, 7th Floor
New York, NY 10005

Attorney for Defendant Max Specialty Insurance Company

Adam D. Krauss, Esquire
Traub Lieberman Straus & Shrewsbury LLP
Seven Skyline Drive
Hawthorne, NY 10532

Attorneys for Signal Insurance Company

David S. Bland, Esquire
Matthew C. Guy, Esquire
LeBlanc Bland PLLC
1717 Saint James Pl. #360
Houston, TX 77056-3408

Allison R. Colon, Esquire
James D. Prescott, III, Esquire
LeBlanc Bland P.L.L.C.
909 Polydras Street
New Orleans, LA 70112

Stephen P. Kyne, Esquire
Burke & Parsons
100 Park Avenue
New York, NY 10017-5533

By:


George R. Zacharkow

CHRISTOPHER SCOTT CUNNINGHAM, C.P.A. Vol 1 30(b)(6)
FIREMAN'S FUND VS. GREAT AMERICAN

February 14, 2013

1-4

	Page 1	Page 3
1 UNITED STATES DISTRICT COURT		
2 SOUTHERN DISTRICT OF NEW YORK		
3		
4 FIREMAN'S FUND)	1 Exhibit No. 360.....88	
5 INSURANCE COMPANY, ONE) E-mail correspondence, FF 04005 - 04006	2 Exhibit No. 361.....94	
6 BEACON INSURANCE)	3 Letter from L. Spears to Willis of	
7 COMPANY, NATIONAL) Alabama, Inc., dated 9/15/09	4 Exhibit No. 362.....100	
8 LIABILITY AND FIRE)	5 Letter from L. Spears to Willis of	
9 INSURANCE COMPANY, AND) Alabama, Inc., dated 10/13/09,	6 Signal (NY) 000293 -294	
10 QBE MARINE & ENERGY)	7 Exhibit No. 363.....109	
11 SYNDICATE 1036) Case No.: 8 Conditional Bill of Sale,	8 Signal (NY) 008813 - 8815	
12) 10-cv-1653	9 Exhibit No. 364.....129	
13 VERSUS) (JPO)(JLC)	10 E-mail correspondence,	
14	11 Re: Signal Drydock Claim	
15 GREAT AMERICAN) ECF Case	12 Re: Signal Drydock Agreement	
16 INSURANCE COMPANY OF)	13 Exhibit No. 365.....137	
17 NEW YORK, MAX SPECIALTY) E-mail correspondence,	14 SIGNAL00039748	
18 INSURANCE COMPANY, and)	15 Exhibit No. 367.....150	
19 SIGNAL INTERNATIONAL,) Letter from Max to C. Cunningham,	16 dated 2/16/10, MSI 001204 - 1214	
20 L.L.C.)	17 Exhibit No. 368.....153	
21	18 E-mail correspondence, Re: Signal	
22	19 International Max Claim# MXBP04423	
23	20 Drydock - Attorney Client Privilege	
24	21 Exhibit No. 370.....170	
25	22 Letter from D. Bland to Interested	
	23 Insurers, dated 3/23/10	
	24 Exhibit No. 371.....180	
	25 Settlement Agreement & General Release,	
	26 Signal (NY) 002865 - 2873	
	27	
		Page 2
1 INDEX		Page 4
2	Page	
3 Caption.....1	1 Exhibit No. 372.....184	
4 Appearances.....5	Assignment, Signal (NY) 002860 - 2864	
5 Agreement of Counsel.....7	2 Exhibit No. 373.....187	
6 Witness' Certificate.....218	3 Lease Agreement between The City of	
7 Reporter's Certificate.....219	4 Port Arthur and Port of Port Arthur	
	Navigation District	
8 EXAMINATION	5 Exhibit No. 374.....189	
9 MR. STRAUS.....8	Letter from R. Meisetschlaeger to	
10	6 President, Port Arthur Navigation	
11 EXHIBITS	7 District Industrial Development Corp.,	
12 Exhibit No. 353.....82	dated 9/24/07	
13 Second Amended Notice of Rule 30(b)(6)	8 Exhibit No. 375.....198	
14 Exhibit No. 354.....82	Pleasure Island Commission proposal,	
15 Amended Notice of Deposition of Signal	9 dated 8/18/09	
16 International, LLC, by Chris Cunningham	10 Exhibit No. 376.....200	
17 Exhibit No. 355.....82	Letter from J. Creighton to	
18 Cross Notice of Rule 30(b)(6) Deposition	11 R. Meisetsenlaeger [sic], dated 8/19/09	
19 Exhibit No. 356.....86	12 Exhibit No. 377.....202	
20 Plaintiff's Second Amended Cross-Notice	Letter from J. Creighton to	
21 of Rule 30(b)(6) Deposition of Signal	13 R. Meisetsenlaeger, dated 8/12/09	
22 International, LLC	14 Exhibit No. 378.....206	
23	Cover sheet and letter from	
24 Exhibit No. 357.....86	15 R. Meisetschlaeger to J. Dike,	
25 Letter from D. Bland to J. Nicoletti	dated 3/24/09	
26	16 Exhibit No. 379.....208	
27 dated 2/6/13	17 Letter from J. Creighton to Signal	
28 Exhibit No. 358.....86	International, LLC, dated 6/24/09,	
29 Letter from D. Bland to S. Strauss	18 GA-003475 - 3476	
30 dated 2/6/13	19 Exhibit No. 380.....210	
31 Exhibit No. 359.....86	Letter from R. Meisetschlaeger to	
32 Letter from D. Bland to G. Zacharkow	20 J. Creighton, dated 7/24/09	
33 dated 2/6/13	21 Exhibit No. 381.....214	
	Letter from C. Cunningham to J. Dike,	
	22 dated 9/8/09, 000867	
	23	
	24	
	25	

CHRISTOPHER SCOTT CUNNINGHAM, C.P.A. Vol 1 30(b)(6)
FIREMAN'S FUND VS. GREAT AMERICANFebruary 14, 2013
33-36

Page 33	Page 35
<p>1 A. -- on the rigs. Yes. But it was not 2 self-propelled. I mean, motors for the 3 production --</p> <p>4 Q. Sure.</p> <p>5 A. -- or the operation of the drilling.</p> <p>6 Q. Again, this was constructed from plans?</p> <p>7 A. Correct.</p> <p>8 Q. Who was that for?</p> <p>9 A. LeTourneau.</p> <p>10 Q. Any other new construction projects?</p> <p>11 A. Yes. We were subcontracted by Northrop 12 Grumman to build ship modules for their LPD 13 program, LPD 21, 22, and 23.</p> <p>14 Q. LPD 21, 22, 23, what was that? What are 15 those? Let's start -- I'll strike that.</p> <p>16 A. They're Navy ships.</p> <p>17 Q. What's LPD stand for?</p> <p>18 A. I'm not sure.</p> <p>19 MR. PRESCOTT: Landing -- landing platform 20 dock.</p> <p>21 THE WITNESS: I think landing platform 22 dock. Yeah. They were built for the Navy 23 to transport, I think, marine divisions. (There is an off-the-record discussion.)</p> <p>25 BY MR. STRAUS:</p>	<p>1 the ship.</p> <p>2 And during this time period, we 3 built close to 200 modules for the -- this 4 LPD program.</p> <p>5 BY MR. STRAUS:</p> <p>6 Q. They were kind of kits that you sent back 7 to Northrop Grumman that they would assemble into 8 their ships?</p> <p>9 A. Yeah.</p> <p>10 They would send us all the materials and 11 all the drawings. We would assemble it, put it 12 together, build the module, barge it back to them. 13 And they would piece it altogether and weld it up.</p> <p>14 Q. So everything that left you, it was a 15 ship, just not assembled?</p> <p>16 MR. NOVAK: Objection to form.</p> <p>17 THE WITNESS: It was a piece of a ship.</p> <p>18 MR. BLAND: It would be like building this 19 room and attaching it in the building.</p> <p>20 BY MR. STRAUS:</p> <p>21 Q. So what you built and sent to them went 22 -- went into a larger ship?</p> <p>23 A. Correct.</p> <p>24 Q. Where were these -- you've mentioned three 25 new construction projects. Where were -- where</p>
Page 34	Page 36
<p>1 Q. Were the -- were the -- these ship 2 modules, they were -- the LPD 21, 22, 23, were 3 they self-propelled?</p> <p>4 A. No.</p> <p>5 Do you want me to explain what -- what 6 the -- what this is? Because I --</p> <p>7 Q. Yeah.</p> <p>8 A. -- think there's confusion?</p> <p>9 MR. ZACHARKOW: Off the record. (There is an off-the-record discussion.)</p> <p>11 THE WITNESS: In -- in -- in modern 12 shipbuilding -- modern -- modern 13 shipbuilding, these -- these big ships are 14 built in modules. And they'll break them 15 down into as many -- I think the LPDs had 16 at least a couple hundred modules, maybe 17 300 modules. And each one would be up to, 18 I think about -- I don't know -- one, two, 19 300 tons. Okay. And each module will be 20 fabricated with electrical, piping, 21 outfitting as much as possible.</p> <p>22 You -- we would build the modules, 23 put it on a barge, ship it to Northrop 24 Grumman. And they did the assembly of 25 putting these modules together to build</p>	<p>1 was the building spar --</p> <p>2 A. The spar was built in Orange, Texas.</p> <p>3 Q. What about the jack-up rig you mentioned?</p> <p>4 A. The jack-up was also built in Orange, 5 Texas.</p> <p>6 Q. And what about the Northrop Grumman LPDs?</p> <p>7 A. It was built in both Orange, Texas and 8 Pascagoula, Mississippi.</p> <p>9 Q. Do you have an estimate in your mind of 10 how many new construction projects such as these 11 Signal has been involved in?</p> <p>12 A. Actually, I could count them. Yes.</p> <p>13 Do you want to know?</p> <p>14 Q. Sure.</p> <p>15 A. Well, what I've already described to you. 16 And additionally, there have been two barges, big 17 offshore barges that Signal has built. And 18 currently, we are finishing construction of two 19 articulated tugs and barges in Orange, Texas. And 20 we are soon to begin construction of an 21 articulated tug and barge dredging unit.</p> <p>22 Q. I count eight. Is that about the extent 23 of it?</p> <p>24 MR. NOVAK: Objection to form.</p> <p>25 THE WITNESS: It depends on if you include</p>

CHRISTOPHER SCOTT CUNNINGHAM, C.P.A. Vol 1 30(b)(6)
FIREMAN'S FUND VS. GREAT AMERICANFebruary 14, 2013
37-40

	Page 37		Page 44
1	an ATB as one unit.	1	A. Yes.
2	BY MR. STRAUS:	2	Q. Who were the customers?
3	Q. All right. Let's -- let's -- lets --	3	A. Kirby Corporation.
4	A. Its really two units.	4	Q. Oh. Both of them, Kirby?
5	Q. All right. The two barges were -- where	5	A. Yes.
6	were they constructed?	6	Q. Did Signal purchase the -- the engines
7	A. In Orange, Texas.	7	from an outside source?
8	Q. What was -- who was the customer?	8	A. Yes.
9	A. One was Signet Maritime. And the second	9	Q. When were the articulated tugs and barges
10	one -- gosh, I'm not -- I forget who the customer	10	constructed? And I apologize if you -- you
11	was.	11	answered that. I don't recall.
12	Q. Were they the same -- the same model	12	A. The contract was signed in, I believe,
13	barge?	13	March of 2011. And actual construction began, I
14	A. Virtually the same.	14	believe, in September of 2011.
15	Q. Can you describe it for -- for me.	15	Q. Are they completed?
16	A. It was approximately 300 feet in length by	16	A. The Barge No. 1 is complete and delivered.
17	100 feet wide with --	17	The other three units are about to deliver.
18	Q. What was the purpose? What was the barge	18	Q. You said the other three units. I know
19	going to be used for?	19	you mentioned you -- you group them in two and one
20	A. Offshore construction, hauling equipment	20	before -- before. When you said the other
21	out to rigs and drilling units. It had 5,000	21	two -- the other two are about to be delivered,
22	pounds per square inch deck strength. So you	22	you're now talking about them all the same?
23	could put very heavy construction equipment on the	23	A. There are two contracts each for the
24	barge.	24	construction of the tug and the barge. The tug
25	Q. Was it motorized?	25	and the barge are two separate units, though.
	Page 38		Page 44
1	A. No. It was not self-propelled.	1	Q. I got you.
2	Q. What about the articulated -- the two	2	And you did mention you had one
3	articulated tugs and barges? Are these -- were	3	articulated tug and barge under construction; is
4	those -- strike that.	4	that correct?
5	What is -- what is an articulated tug and	5	A. Another one is in the engineering phase,
6	barge?	6	construction to start in the next couple months.
7	A. It is a large offshore barge. I believe	7	Q. Who's the customer for that one?
8	it's about 400 feet in length. And the way it's	8	A. Great Lakes Dredge & Dock Company.
9	constructed, it has a notch. And the tug will fit	9	Q. And is -- is this articulated tug and --
10	into the notch. And with a connecting system, it	10	tug and barge similar in design to the two that
11	becomes one. And it's almost like a ship at that	11	Kirby purchased?
12	point. But it can bring its -- the barge to	12	A. It's an articulated tug and barge. But
13	wherever it's delivering its cargo, drop the barge	13	the barge is completely different. It's a
14	off; and then the tug is free to be able to either	14	dredging unit complete with dredging equipment
15	pick up another load or -- or do something else.	15	that can go out and dredge whatever necessary.
16	Q. Does -- did Signal construct these tugs as	16	The Kirby barges are cargo barges.
17	well?	17	MR. ZACHARKOW: Those are dry -- dry cargo
18	A. Yes.	18	barges?
19	Q. The tugs are motorized?	19	THE WITNESS: Dry cargo. I think it's
20	A. Yes.	20	primarily going to be coal.
21	Q. Again, the -- these constructions of the	21	BY MR. STRAUS:
22	articulated tugs and barges were from plans that	22	Q. Is -- the Great Lakes' tug and barge,
23	were provided to Signal --	23	where is that being constructed?
24	A. Yes.	24	A. In Orange, Texas.
25	Q. -- by the purchasers?	25	Q. Okay. So in 2006, Signal began to do the

SIGNAL TEXAS DOCK YARD VESSEL DOCKINGS										PERIOD ENDING 6/30/2011				
DATE CONTRACT ENDING	NAME OF PERSON WHO SIGNED CONTRACT FOR VESSEL	NAME OF PERSON WHO SIGNED CONTRACT FOR SIGNAL	JDN NUMBER	DOCKED	UNDOCKED	NAME OF VESSEL	OWNER	OWNER'S NOTICE ADDRESS IN CONTRACT	TYPE OF VESSEL	WEIGHT AT DOCKING (LBS/TONS)	REVENUE	COST	PROFIT	
			9170	12/03/01	08/05/01	OLAIR	NAVAIRL	SEMI	13674	263,128.48	113,140.72	204,268.48		
			9181	04/21/01	08/05/01	LENTEC 95	LENTEC	JACHT-IP	7361	91,391.00	48,087.12	103,191.87		
			9182/DOBL	07/04/01	08/18/01	PRIDE VAKHA	PRIDE	SEMI	11906	3,064,604.37	3,563,033.33	100,570.61		
9/28/2003	John Banzhaf Vice President	Robert Cheshire, Executive VP	1507	07/26/01	10/06/01	ROWAN TEXAS	ROWAN	Rowan Drilling Inc., 2100 Park Dr. Blvd Suite 5100 Houston, TX 77050	JACK-UP	8204	544,449.71	406,130.72	158,359.04	
10/10/2003	E. M. York Vce President	Robert Cheshire, Executive VP	1508	09/14/01	10/26/01	ROWAN NEW ORLEANS	ROWAN	Rowan Drilling Inc., 2100 Park Dr. Blvd, Suite 5100 Houston, TX 77050	JACK-UP	8204	261,517.92	273,120.37	18,597.65	
			1511	11/28/01	12/16/01	UNCLE JOEII	CALDIVE	SEMI	1054	790,241.06	713,507.49	74,723.51		
1-24/2004	John Cheshire, President	Michael Morris, President & CEO	1810	02/03/01	08/24/01	1440 DOG (LEFT 1140)	PRICE	PRICE DRILLING, INC., 118 S. VANNAME, HOBBS, NM 85201	DRILLING MODULE	3480	19,407,676.34	13,322,762.82	1,082,914.62	
10/23/2004	Steve Pfeifer, President	Henry A. Schaefer, President - US Operations	1811	07/17/01	07/30/01	JU20	PARKER	First Drilling Company USA, Inc., 11100 North West, Houston, TX 77060	JACK-UP	8714	641,710.10	468,216.43	163,493.07	
7-26/2010	Don P. Anderson, CFO	Thomas Ragle, Sr VP/COO TX Operations	1812	02/11/01	07/05/01	JU21	HERCULES	Heracles Offshore Corp 1620 Braswell Dr Suite 600 Houston, TX 77041	JACK-UP	150,226.26	40,308.53	110,920.07		
			1813	08/11/01	08/15/01	NTREP10	CALDIVE	MULTI-SERVICE	12004	329,003.33	179,800.25	44,343.08		
			1814	09/21/01	08/26/01	NTREP10	CALDIVE	MULTI-SERVICE	12004	167,881.14	110,056.52	57,823.16		
			1815	12/01/01	12/10/01	NTREP10	CALDIVE	MULTI-SERVICE	12004	240,767.00	275,106.92	75,000.48		
			1816	01/28/02	01/20/02	NTREP10	CALDIVE	MULTI-SERVICE	12004	349,260.00	194,968.74	155,291.26		
10/10/2004	Mark M. Vassallo, Sr. VP Tech Supt	Thomas Ragle, Sr VP/COO TX Operations	1818	01/28/01	03/04/01	OCEAN STAR 1000	DIAMOND	Diamond Offshore Services, Inc., 15415 Kelly Forest, Suite 400 Houston, TX 77060	JACK-UP	12743	120,502.14	474,878.13	145,324.43	
11-19/2007	John T. Rynd, V.P. Operations	Thomas Ragle, Sr VP/COO TX Operations	1818	03/10/05	04/16/05	EWIS DUGGER	NOBLE	NOBLE DRILLING OPERATIONS, INC., 12135 S. Daily Avenue, Suite 800, Sun City West, AZ 85372	JACK-UP	8011	4,343,958.86	3,823,201.83	541,592.33	
			1823	05/17/09	05/26/09	0-4000	CALDIVE	SEMI	1474	514,922.43	364,562.30	150,760.14		
			1828	06/05/01	08/05/01	NTREP11	CALDIVE	MULTI-SERVICE	12004	106,104.75	64,348.06	41,156.10		
3Q1/2009	Mark R. Morris, President	Chris Cunningham, VP LSECO	1829	08/20/01	07/31/01	BLAKE 303	BLAKE	Mark Offshore, LLC P.O. Box 6000, Houston, TX 77009	JACK-UP	8664	1,113,160.04	1,021,046.77	92,113.27	
3Q1/2009	Mark R. Morris, President	Chris Cunningham, VP LSECO	1831	08/21/01	07/31/01	BLAKE 203	BLAKE	Mark Offshore, LLC P.O. Box 6000, Houston, TX 77009	JACK-UP	8142	954,852.92	667,704.47	287,558.53	

Vehicle docked and waited alongside dock with revenue item activity

Page 1 of 1

3761



DATE CONTRACT SIGNED	NAME OF PERIODICALLY SIGNED CONTRACT FOR BONANZA	NAME OF VESSEL	OWNER	OWNER'S NOTICE ADDRESS IN CONTRACT	TYPE OF VESSEL	WEIGHT AT DOCKING (LONG TONS)	REVENUE	COST	PROFIT			
7/8/2008	John M. Veech St. VP Tech Serv	Thurman Riggs St. VPIGM, TX Operations	1521	08/12/08	04/13/09 OCEAN NEW ERA	DIAMOND	Diamond Offshore Services Inc. 15415 West Freeway Suite 460 Houston, TX 77070	SEMI	17172	4,528,340.70	4,328,915.21	219,374.48
5/25/2008	John E. Hall, CFO	Richard Miller, President & CEO	1526	09/12/08	04/13/09 ROWAN N-OLAND	ATP OIL & GAS CORP	ATP Oil & Gas Corp 1600 Post Oak Plaza Suite 220, Houston, TX 77077	SEMI	11,200	16,324,461.68	9,850,703.42	6,474,356.24
				10/15/08	11/23/09 ROWAN N-OLAND	ATP OIL & GAS CORP	ATP Oil & Gas Corp 1600 Post Oak Plaza Suite 220, Houston, TX 77077	SEMI	11,113			
INTERNAL USE FOR DODGE'S CRANE RANGE												
10/13/2008	William C. Holloman, VP Managing	Thurman Riggs, St. VPIGM, TX Operations	1531	11/11/08	01/23/09 JOE ALFORD	NOBLE	NOBLE DRILLING INC. 13135 G Oak Pavilion Ridge Blvd Houston, TX 77078	SEMI	7245	10,010,703.63	13,150,866.03	341,004.60
				10/31/08	02/24/09 Q-1000	CALIFINE		SEMI	14903	444,303.76	370,666.12	73,635.64
3/10/2008	John M. Veech, St. VP Tech Services	Thurman Riggs, St. VPIGM, TX Operations	1536	03/11/08	04/27/09 OCEAN NUGGET	DIAMOND	Diamond Offshore Services Inc. 15415 West Freeway, Suite 460 Houston, TX 77070	JACK UP	7000	8,337,074.03	4,831,275.63	3,705,767.39
8/18/2008	William C. Holloman, VP	Thurman Riggs, St. VPIGM, TX Operations	1538	08/20/08	07/20/09 HERALD MARTIN	NOBLE	NOBLE DRILLING INC. 13135 G Oak Pavilion Ridge Blvd Houston, TX 77078	SEMI	12400	3,241,463.47	2,949,272.46	292,191.21
8/15/2008	David Crowley, St. VP, Managing	Thurman Riggs, St. VPIGM, TX Operations	1544 & 1549	08/28/08	09/24/09 THE 264 & 7118 266 - ext docking	TOOCO	THE CROWDER DRILLING 14000 Post Oak Blvd Houston, TX 77042	JACK-UP	7500 E	1,369,706.70	1,369,455.65	654,773.05
7/26/2008	John M. Veech, St. VP Tech Services	Thurman Riggs, St. VPIGM, TX Operations	1549	10/04/08	12/11/09 OCEAN WHITTINGTON	DIAMOND	Diamond Offshore Services Inc. 15415 West Freeway, Suite 460 Houston, TX 77070	SEMI	12000	38,841,571.41	26,070,837.84	12,769,733.57
7/1/2008	Tom Macs, President	Richard Miller, President & CEO	1551	02/23/08	05/16/09 NEPTUNE TLP - New Construction 3rd Acre, N16.077	ATLANTA	ATLANTA 1225 Executive Parkway, Suite 600 Houston, TX 77077	STATIONED PLATFORM	7700	50,578,367.01	31,644,847.80	18,933,520.21
				02/13/09	07/04/09		DREDGING & DOCK DREDGING					
07/7/2008	John Veech, St. VP Tech Services	Reddy Marine/Maritime, St. VPIGM, TX Operations	1549	10/27/08	12/16/09 OCEAN QUEST	DIAMOND	Diamond Offshore Services Inc. 15415 West Freeway, Suite 460 Houston, TX 77070		11,577,200.10	5,823,056.37	5,694,334.74	
3/19/2008	George M. Vernon, CFO	Richard Miller, President & CEO	1562	04/01/08	04/05/09 LOUISIANA MILLING BARGE, 2018 104	SUPERIOR DERRICK	SUPERIOR DERRICK INVESTORS, LLC, P. O. Box 14230, New York, NY 10450		410,370.82	164,240.73	250,076.20	
7/1/2008	Pon Captain	John Guthringham, VP	1564	07/07/08	07/14/09 DIXIE PATRIOT	POWERMAN	POWERMAN INC. 15415 West Freeway, Suite 460 Houston, TX 77070	SHIP BOARD	2700	240,370.55	109,001.50	131,369.05

Vessels docked and worked along your dock with revenue from sandy

Page 2 of 3

36/11

DATE CONTRACT SIGNED	NAME OF PERSON WHO SIGNED	NAME OF PERSON WHO DOCKED VESSEL	JOB NUMBER	DOCKED	UNDOCKED	NAME OF VESSEL	OWNER	OWNER'S NOTICE ADDRESS IN CONTRACT	TYPE OF VESSEL	WEIGHT AT DOCKING (LONG TONS)	REVENUE	CDR	PROFIT
8/15/2000	Tom Dunn Director Operations	Tommy McWhorter VP VIKOM TX Operations	7516	10/12/00	10/12/00	THUNDER HAWK	SUN ATLANTA	BBB ATLANTA INC. 1755 Executive Parkway, Houston, TX 77071	■ Particular	12700	0 400 892 14	6,640 580 25	3,743 111 46
12/15/2000	John Vachas, Jr VP Tech Services	John Vachas, Jr VP Tech Services	1597	02/05/01	02/05/01	DEVOTION OCEAN AMERICA	DIAMOND	DIAMOND OFFICES 1000 FREDERICK, 1515 West Freeway, Suite 600, Houston, TX 77003	■ Particular	76,420 61 (25,514)	17,411,402 16	14,112,807 10	2,207,636 02
Updated Dates 6/1, 6/2, 6/8 & 10/2001 NSA	10/2001 NSA signed in 2001 by David Haugen, VP	10/2001 NSA signed in 2001 by John Haley, President	1258	05/22/01	06/08/01	NEVADA	PIRATE (SEAMAWIN)	PIRATE (SEAMAWIN) 30441 San Felipe Suite 1000 Houston TX 77001	■ Particular	1,237,813 09	1,172,659 19	145,754 16	
TOTAL OF JOBS ON BOOK													
211,474,355 34													
100% WORKED WITHIN 10 DAYS													
7/1/2001 - Hired ad by ACON 10/01	William C. Long Vice President	John Haley President	7506	06/24/01	06/24/01	OCEAN NEW BRA	DIAMOND	DIAMOND OFFICES 1000 FREDERICK, 1515 West Freeway, Suite 600, Houston TX 77003	■ IRREBUTT AGREEMENT	356,722 00	567 36	353,064 61	
7/17/2001	John Vachas, Jr VP Tech Services	John Vachas, Jr VP Tech Services	7507	10/11/01	10/11/01	OCEAN BARONESS	DIAMOND	DIAMOND OFFICES 1000 FREDERICK, 1515 West Freeway, Suite 600 Houston TX 77003	■ ALONGSIDE DOCK FROM 7/11/01 THRU 10/11/01	7,909,470 20	4,771,000 05	2,133,469 26	
7/1/2001	John Vachas, Jr VP Tech Services	John Vachas, Jr VP Tech Services	7221		07/07/01	OCEAN VALIANT	DIAMOND	DIAMOND OFFICES 1000 FREDERICK, 1515 West Freeway, Suite 600 Houston TX 77003	■ ALONGSIDE DOCK EFF JULY 4 WEEKEND	4,120,410 03	3,456,510 49	670,802 14	
TOTAL OF JOBS WORKED ALONGSIDE DOCK													
32,160,417 83													
Dry Dock Reconstruction underway after NEVADA departed on 6/8/01 OCEAN VALIANT being worked alongside 6/17/01 weekend													
DAD DOCK 300K DRAUGHS 2K DRAFT													

Page 1

1 IN THE UNITED STATES DISTRICT COURT
 2 FOR THE SOUTHERN DISTRICT OF NEW YORK
 3 FIREMAN'S FUND INSURANCE)
 4 COMPANY, ONE BEACON)
 5 INSURANCE COMPANY, NATIONAL)
 6 LIABILITY AND FIRE)
 7 INSURANCE COMPANY and QBE)
 8 MARINE & ENERGY SYNDICATE)
 9 1036,) EFC CASE
 10 Plaintiffs,)
 11) 10 Civ. 1653 (LAK)
 12 VS.)
 13)
 14 GREAT AMERICAN INSURANCE)
 15 COMPANY OF NEW YORK, MAX)
 16 SPECIALTY INSURANCE COMPANY)
 17 and SIGNAL INTERNATIONAL,)
 18 LLC,)
 19 Defendants.)
 20 *****
 21 ORAL DEPOSITION OF
 22 REESE LEVER
 23 December 15, 2011
 24 *****

25 ORAL DEPOSITION OF REESE LEVER, produced as a
 witness at the instance of the PLAINTIFFS, and duly
 sworn, was taken in the above-styled and numbered cause
 on December 15, 2011, from 8:55 a.m. to 12:54 p.m., by
 machine shorthand before MICHELLE R. PROPPS, CSR, in and
 for the State of Texas, reported at the offices of
 LeBlanc Bland, 1717 St. James Place, Suite 360, Houston,
 Texas, pursuant to the Federal Rules of Civil Procedure
 and the provisions stated in the record or attached
 hereto.

Page 2

1 A P P E A R A N C E S

2 FOR THE PLAINTIFFS:

3 MR. JOHN A.V. NICOLETTI
 4 - and -
 5 MR. ROBERT A. NOVAK
 6 Nicoletti, Hornig & Sweeney
 7 Wall Street Plaza
 8 88 Pine Street, 7th Floor
 9 New York, New York 10005-1801
 10 Fax: 212.220.3780
 11 E-mail: jnicoletti@nicolettihornig.com

12 FOR THE DEFENDANT GREAT AMERICAN INSURANCE COMPANY OF
 13 NEW YORK:

14 MR. GEORGE R. ZACHARKOW
 15 Mattioni, Ltd.
 16 399 Market Street, Suite 200
 17 Philadelphia, Pennsylvania 19106-2138
 18 Fax: 215.923.2227
 19 E-mail: gzacharkow@mattioni.com

20 FOR THE DEFENDANT SIGNAL INTERNATIONAL, LLC:

21 MR. MATTHEW C. GUY
 22 LeBlanc Bland
 23 909 Poydras Street, Suite 1860
 24 New Orleans, Louisiana 70112
 25 Fax: 504.586.3419
 26 E-mail: mguy@leblancbland.com

27 FOR THE DEFENDANT MAX SPECIALTY INSURANCE COMPANY:

28 MR. ADAM KRAUSS (Via Telephone)
 29 Traub Lieberman Straus & Shrewsbury, LLP
 30 Mid-Westchester Executive Park
 31 Seven Skyline Drive
 32 Hawthorne, New York 10532
 33 Fax: 914.347.8898
 34 E-mail: akrauss@traublieberman.com

35 * * * *

Page 3

INDEX		PAGE	
2	Appearances.....	2	
3	REESE LEVER		
4	DIRECT EXAMINATION BY MR. JOHN A.V. NICOLETTI.....	5	
	CROSS EXAMINATION BY MR. MATTHEW C. GUY.....	123	
5	RE-DIRECT EXAMINATION BY MR. NICOLETTI.....	169	
	CROSS EXAMINATION BY MR. GEORGE R. ZACHARKOW.....	172	
6	FURTHER DIRECT EXAMINATION BY MR. NICOLETTI.....	174	
7	Document Requests.....	176	
	Changes and Signature.....	177	
9	Reporter's Certification.....	178	
10	EXHIBITS		
11	EXHIBIT NO.	DESCRIPTION	PAGE
12	13 Exhibit 255	DLS Survey Report Summary - Breasting Barge No. 1740.....	67
14	14 Exhibit 256	DLS Survey Report Summary - WW Drydock.....	77
	15 Exhibit 257	Underwriting File.....	83
15	15 Exhibit 258	Great American Insurance Company of New York Vessel Pollution Liability Application.....	86
16	16 Exhibit 259	Pollution Policy Declarations Page and Schedule of Vessels.....	86
17	17 Exhibit 260	Loss History Report - Extract Dated 10-16-10.....	93
18	18 Exhibit 261	Signal International's Chartered Vessel Schedule.....	94
19	19 Exhibit 262	Signal International, LLC, Vessel Pollution Shipyard Schedule.....	95
20	20 Exhibit 263	Signal International, LLC Vessel Schedule.....	96
21	21 Exhibit 264	Signal International Vessel Pollution Insurance Submission.....	97
22	22 Exhibit 265	E-mail Chain Beginning 1-5-11 From Ewing To Lever.....	97
23	23 Exhibit 266	Renewal Quotation.....	98
24	24 Exhibit 267	E-mail Chain Beginning 1-11-11 From Lever To Ewing.....	102
25	25 Exhibit 268	Renewal Quotation For Term: 1-30-11 through 2010.....	105

Page 4

1	1 Exhibit 269	Renewal Quotation 2011-2012.....	111
	2 Exhibit 270	Confirmation of Coverage.....	114
2	2 Exhibit 271	Renewal Quotation For Term 1-30-2011-2012..	116
	3 Exhibit 272	E-mail Dated 1-06-11 From Lever To Wilmot..	117
3	3 Exhibit 273	E-mail Dated 1-6-11 From Wilmot To Lever...	118
	4 Exhibit 274	E-mail Dated 1-28-11 From Lever To Ewing and Attachment.....	119
4	4 Exhibit 275	Letter Dated 2-22-10 From Wilmot To Signal.....	169
5	5 Exhibit 276	E-mail Dated 2-22-10 From Lever To Bell and Certificate of Financial Responsibility.....	171
6	6		
7	7		
8	8		
9	9		
10	10		
11	11		
12	12		
13	13		
14	14		
15	15		
16	16		
17	17		
18	18		
19	19		
20	20		
21	21		
22	22		
23	23		
24	24		
25	25		

Pages 1 to

ORAL DEPOSITION OF REESE LEVER

Page 149

1 Q. You'd agree with that.
 2 A. Yeah.
 3 Q. Do you know who provided the attorney who
 4 drafted it with the information that's in there?
 5 A. I -- I don't know. I can make a guess, but it
 6 would be a guess.
 7 Q. All right. Well, let's not guess.
 8 A. Okay.
 9 Q. The --
 10 MR. ZACHARKOW: For the record, just so
 11 we're clear, the claim itself references documents that
 12 were obtained through discovery in the case.
 13 MR. GUY: Yes.
 14 MR. ZACHARKOW: Okay. So when you say,
 15 who provided information, there's information that was
 16 obtained in discovery, Mr. Guy, you know, that's
 17 reflected in some of the --
 18 Q. (By Mr. Guy) That comes to an important point
 19 that I'd like to ask you about. You're aware that Great
 20 American has sued Signal International, my client.
 21 A. Yes.
 22 Q. In your experience, is it common for an
 23 insurance company to sue its insured?
 24 MR. ZACHARKOW: Objection.
 25 A. I don't know.

Page 150

1 Q. (By Mr. Guy) Have you ever been involved in a
 2 case like that before?
 3 A. This is the first case I've ever been involved
 4 in.
 5 Q. Are you aware of what the allegations made
 6 against Signal by Great American are?
 7 A. Some of them from reading through this. Yes.
 8 Q. Were you aware of those allegations before you
 9 read that cross claim?
 10 A. No.
 11 Q. There's numerous exhibits referenced in there.
 12 I'm sure everybody in the room will be delighted to hear
 13 I don't intend to go through each one, but I want to
 14 show them to you, just for your own education. Have you
 15 seen -- please take time to just flip through it. Have
 16 you seen those documents before?
 17 A. I would say I've seen some of them, but not
 18 all of them.
 19 Q. You and Ms. Stringer are the only underwriters
 20 at Great American who were involved in this renewal; is
 21 that correct?
 22 A. Steve Weber was involved as well.
 23 Q. I don't see his name own any of the
 24 correspondence with Willis.
 25 MR. NICOLETTI: Talking about the '09

Page 151

1 renewal?
 2 MR. GUY: Yes.
 3 Q. (By Mr. Guy) 2009-2010. You and Ms. Stringer
 4 are the only underwriters at Great American responsible
 5 for this account; is that correct?
 6 MR. ZACHARKOW: Objection.
 7 A. No. Steve Weber was involved as well.
 8 Q. (By Mr. Guy) What was Mr. Weber's
 9 involvement?
 10 A. He reviewed the file before the quote was
 11 sent.
 12 Q. Okay.
 13 A. He did his own underwriting -- I mean, he
 14 would have gone through the whole file as well before we
 15 sent the renewal quote. And his initials are on the
 16 mock-up.
 17 Q. And did he -- do you recall if he raised any
 18 issues with you about a renewal?
 19 A. No, I don't.
 20 Q. If he had done, they would presumably be in
 21 the file; is that correct?
 22 A. Yes.
 23 Q. So we've established already that -- from
 24 yesterday, Ms. Stringer never requested any surveys of
 25 any of the assets subject to the renewal. You never

Page 152

1 asked for any. Are you aware if Mr. Weber asked for
 2 anything?
 3 A. No, I'm not aware.
 4 Q. Okay. The majority of the exhibits that are
 5 in that binder that are referenced in the cross claim
 6 against Signal are survey reports on the AFDB-5 dating
 7 back from 2001 till 2007 or '8. Okay?
 8 Did anybody ever present these to you and
 9 say, would -- any one of these documents and say -- ask
 10 you this question. Would seeing this document have been
 11 material to your decision to underwrite this risk.
 12 A. Prior to this being...(indicating)
 13 Q. Yes.
 14 A. No.
 15 Q. So nobody at Great American ever asked you the
 16 actual question as to whether or not the allegations in
 17 here about what was material to you as an underwriter
 18 was ever put to you before this lawsuit was filed?
 19 A. No.
 20 Q. Are you aware if those type of questions were
 21 put to Ms. Stringer, as the underwriter and your
 22 supervisor?
 23 A. I don't know. Can I elaborate on that a
 24 little? I would say normally in claims situations in
 25 our office, the claims department talks to Steve Weber.

Pages 149 to 152

Sunbelt Reporting & Litigation Services

Houston Austin Bryan/College Station Corpus Christi Dallas/Fort Worth East Texas San Antonio

JIMMY BOOKER - October 11, 2012

		Page 1	Page 3
1	UNITED STATES DISTRICT COURT		
2	SOUTHERN DISTRICT OF NEW YORK		
3	FIREMAN'S FUND INSURANCE COMPANY, ONE BEACON INSURANCE COMPANY, NATIONAL LIABILITY AND FIRE INSURANCE COMPANY AND QBE MARINE & ENERGY SYNDICATE 1036		
4	PLAINTIFFS,	10-CV-1653	
5	VS.		
6	GREAT AMERICAN INSURANCE COMPANY OF NEW YORK, MAX SPECIALTY INSURANCE COMPANY AND SIGNAL INTERNATIONAL, LLC		
7	DEFENDANTS.		
8			
9			
10			
11			
12			
13			
14	*****		
15	ORAL DEPOSITION OF		
16	JIMMY BOOKER		
17	OCTOBER 11, 2012		
18	*****		
19			
20			
21			
22			
23			
24			
25			
		Page 2	Page 4
1	ORAL DEPOSITION OF JIMMY BOOKER, produced as a witness at the instance of the Defendants, and duly sworn, was taken in the above-styled and numbered cause on OCTOBER 11, 2012, from 9:08 a.m. to 6:36 p.m., before Mark A. Miller, CSR in and for the State of Texas, reported by machine shorthand, at the offices of Signal International, Orange, Texas pursuant to the Federal Rules of Civil Procedure and the provisions stated on the record or attached hereto.		
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
		INDEX	PAGE
1	Appearances.....	2	
2			
3			
4	JIMMY BOOKER		
5	Examination by Mr. Zacharkow.....	5	
6	Examination by Mr. Krauss.....	244	
7	Examination by Mr. Wamser.....	275	
8	Examination by Mr. Guy.....	281	
9	Examination by Mr. Zacharkow.....	297	
10	Examination by Mr. Krauss.....	301	
11	Examination by Mr. Wamser.....	304	
12	Signature and Changes.....	306	
	Reporter's Certificate.....	308	
13			
14	EXHIBITS		
15	NO. DESCRIPTION	PAGE	
16	321 Curriculum Vitae	17	
17	322 Document Survey Report	136	
18	323 DLS Survey Report	140	
19	324 Email, Re: Solicitation by Jim Booker	212	
20	325 Email, Re: Resignation	215	
21	326 Email, Re: Conversation with Booker	223	
22	327 Email, Re: Attorney Contact	236	
23	328 Consulting Agreement	240	
24	329 Fax, Re: Drydock Dredging Agreement	252	
25	330 Tidal Info Map, Port Arthur	297	

JIMMY BOOKER - October 11, 2012

<p style="text-align: center;">Page 133</p> <p>1 I mean, there is a – when you pump them down, 2 I think you said you have 11 feet of side shell left, 3 exposed?</p> <p>4 A. Well, you do, but you can inspect them from 5 inside the pontoons.</p> <p>6 Q. Right.</p> <p>7 A. I mean, you're looking at the same steel 8 that's submerged underwater if you go down inside to 9 the bottom of the tank.</p> <p>10 Q. And what do you do about the mud?</p> <p>11 A. That particular area you have from two to 12 maybe three and a half feet of mud. You can't do very 13 much of an inspection of that, obviously.</p> <p>14 Q. Look at Exhibit 27, please.</p> <p>15 Were you told about the fact that an emergency 16 meeting was called by Pleasure Island?</p> <p>17 MR. GUY: I object to the stress on the 18 word "emergency" there, that I think it's testimony 19 from Mr. Haley's deposition but that doesn't mean there 20 is an emergency, it just means it's not an ordinary 21 meeting.</p> <p>22 MR. ZACHARKOW: Well, it's their 23 language. I mean, you can have your objection noted.</p> <p>24 A. I've never seen this document before.</p> <p>25 Q. (BY MR. ZACHARKOW) My question is: Were you</p>	<p style="text-align: center;">Page 135</p> <p>1 A. Sure.</p> <p>2 Q. Were you told by anyone at Signal, Mr. Booker, 3 that Signal was required by PANDIC to consult with and 4 investigate the development of a cathodic protection 5 system for the drydock?</p> <p>6 A. Not that I recall.</p> <p>7 Q. So when you did your investigation for having 8 the anodes applied, you did that independently of any 9 suggestions?</p> <p>10 A. Well, I thought I was doing it independently, 11 based upon some of those earlier reports that I 12 reviewed about cathodic protection.</p> <p>13 Q. Let me show you just the front page and it has 14 some highlights of a survey report dated December 22, 15 2005?</p> <p>16 A. Okay. DLS.</p> <p>17 Q. I think I asked you about it, if you've ever 18 seen any DLS reports before, and if I recall correctly, 19 I think you said you didn't recall seeing any DLS 20 reports.</p> <p>21 Just looking at that format, does that refresh 22 your recollection as to whether you've seen any reports 23 from the DLS surveyors?</p> <p>24 A. Well, I think I have seen something with the 25 DLS letterhead on it.</p>
<p style="text-align: center;">Page 134</p> <p>1 made aware there was a meeting that was called 2 between – by the Pleasure Island commission and Signal 3 regarding the observations that were made by the ABS 4 Consulting surveyor in his September report?</p> <p>5 A. I don't think so.</p> <p>6 Q. Look at Exhibit 29, please, Mr. Booker.</p> <p>7 Were you told by anyone at Signal that there 8 was an agreement that was entered between Signal and 9 the Port Arthur Navigation District Industrial 10 Development Corporation, PANDIC, regarding ongoing 11 maintenance obligations for the drydock in October 1, 12 2003?</p> <p>13 A. I don't ever recall seeing this document.</p> <p>14 Although, I may have been advised that there was a 15 maintenance agreement with the port.</p> <p>16 Q. Were you instructed by anyone at Signal to 17 consult with someone for the preparation of anode and 18 cathode – let me strike that question.</p> <p>19 MR. GUY: Let me lodge an objection to 20 the discussion about this. This is dated October 1, 21 2003. It's before Mr. Booker started. It's also 22 before the drydock was sold to Signal in 2005. So I 23 think it would be obsolete by the time that Mr. Booker 24 started.</p> <p>25 Q. (BY MR. ZACHARKOW) We can still do our thing.</p>	<p style="text-align: center;">Page 136</p> <p>1 Q. And that report is dated what, December – 2 MR. GUY: 22nd, 2005. Why don't we agree 3 we mark this as Exhibit 322, and I'll provide the court 4 reporter with a clean copy.</p> <p>5 (Off record discussion.)</p> <p>6 Q. (BY MR. ZACHARKOW) And for further reference 7 that is a Signal Bates-stamped, starts at 1111, and if 8 I have the entire report here, it goes through 1143.</p> <p>9 Do you ever recall Captain Strous being aboard 10 the drydock conducting a survey?</p> <p>11 A. Well, he – Captain Strous would have had to 12 have been on board the drydock to conduct the survey.</p> <p>13 I do remember meeting Captain Strous, I don't remember 14 if that meeting occurred on the dock itself.</p> <p>15 Q. So you remember him attending to do a survey?</p> <p>16 A. You can't survey a drydock from the office up 17 on a hill. That's what I remember.</p> <p>18 Q. You've met Captain Strous?</p> <p>19 A. I believe I have.</p> <p>20 Q. And you met him when he was at Port Arthur to 21 do a survey of the drydock?</p> <p>22 A. I guess that's what he was doing at Port 23 Arthur.</p> <p>24 Q. Well, when Mr. Hager came to do his inspection 25 and surveys, you were aware that he was there to do</p>